



Los Angeles County  
Board of Supervisors

Gloria Molina  
First District

Mark Ridley-Thomas  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

Mitchell H. Katz, M.D.  
Director

John F. Schunhoff, Ph.D.  
Chief Deputy Director

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To ensure access to high-quality,  
patient-centered, cost-effective  
health care to Los Angeles County  
residents through direct services at  
DHS facilities and through  
collaboration with community and  
university partners.*



[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

February 15, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO AGREEMENT WITH PROVIDER  
ADVANTAGE NW INCORPORATED  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

CIO RECOMMENDATION ☒ APPROVE ☐ APPROVE WITH  
MODIFICATIONS ☐ DISAPPROVE

**SUBJECT**

Request approval of an amendment to the Agreement with Provider Advantage NW, Incorporated to test a new software component for Address and Demographic Validation that will improve patient communication and revenue recovery efforts, and if effective, expand the use of the new software throughout the Department of Health Services facilities.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 to Agreement No. H-701910 with Provider Advantage, NW Incorporated (PA), effective upon Board approval, to add an Address and Demographic Validation Service (ADVS) component to the Health Insurance Portability and Accountability Act (HIPAA) Compliant 270/271 Eligibility Response Software Agreement (Agreement) in order to implement a pilot program for one year at LAC+USC Medical Center (LAC+USC MC) and increase the contract sum by \$117,658 to \$2,710,338 for the period March 1, 2011 through February 29, 2012.
2. Delegate authority to Director, or his designee, to amend the Agreement to continue ADVS at LAC+USC MC and expand to all Department of Health Services (DHS) facilities contingent upon the new component's effectiveness at LAC+USC MC; implement ADVS at Harbor-UCLA Medical Center, High Desert Multi-Service Ambulatory Care Center, Martin Luther King, Jr. Multi-Service

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

#19 FEBRUARY 15, 2011

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Ambulatory Care Center, Olive View-UCLA Medical Center, and Rancho Los Amigos National Rehabilitation Center and related facilities contingent upon the effectiveness of the pilot program at LAC+USC MC, and increase the Contract Sum by \$323,048 to \$3,033,436 for the period March 1, 2012 through March 31, 2014, subject to review and approval by the Chief Information Office and County Counsel and notification to the Chief Executive Office and Board of Supervisors.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

ADVS will be used during the registration process for patient address and demographic validation. It is expected to reduce the volume of account collection data mailers returned due to bad addresses, improve patient financial collection efforts and facilitate patient appointment scheduling and follow-up communications.

Approval of the first recommendation will allow the Director to execute an Amendment, substantially similar to Exhibit I, to enable LAC+USC MC to pilot the ADVS for one year in order to determine its effectiveness. The ADVS is a proprietary software solution which is designed to only work with QuadraMed's Affinity System and PA software applications.

Approval of the second recommendation will allow the Director to amend the Agreement, following the completion of the pilot project at LAC+USC MC, to continue use of ADVS at LAC+USC MC and expand its use to other DHS facilities contingent upon its effectiveness.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 4, Health and Mental Health, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The contract sum of \$2,592,730 will be increased by \$117,658 to \$2,710,338 for the period March 1, 2011 through February 29, 2012. If expanded to other DHS facilities in addition to LAC+USC MC, the contract sum will be increased by an additional \$323,048 for the period March 1, 2012 through March 31, 2014 for a revised contract sum of \$3,033,436.

Funding is included in DHS' Fiscal Year 2010-11 Final Budget and will be requested in future fiscal years, if needed.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On March 21, 2006, your Board approved a sole source Agreement with PA for software which generates HIPAA compliant eligibility inquiries to various third party

payers as required by the federal regulations. On March 3, 2009, your Board approved an extension of the term of the Agreement through March 31, 2014.

The ADVS became available for the first time through the Affinity System in December 2010. It provides an efficient means to verify patient information such as name, date of birth, social security number and address. This pilot program will test the ADVS' effectiveness in improving communication with patients for: 1) routine contact (appointment scheduling and any needed follow up), 2) emergency contact (patients who have not provided current addresses and are later found to pose a public health risk per test results), and 3) patient financial collection efforts. If the pilot proves effective at LAC+USC MC, then the ADVS will be implemented at the remaining DHS facilities through March 31, 2014.

The recommended Amendment includes provisions for the recently adopted Defaulted Property Tax Reduction Program. The Agreement may be terminated for convenience by the County upon 30 days' prior written notice.

County Counsel has approved Exhibit I as to form. The Chief Information Officer concurs with the DHS' recommendation and that office's analysis is attached (Attachment A).

#### **CONTRACTING PROCESS**

Not applicable.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

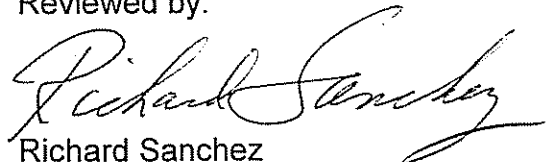
Approval of the recommendations will allow DHS to test ADVS to improve patient communication and revenue recovery efforts and if effective, expand use of the ADVS throughout DHS facilities.

Respectfully submitted,



*fw* Mitchell H. Katz, M.D.  
Director

Reviewed by:



Richard Sanchez  
Chief Information Officer

MHK:skd

Enclosures (2)

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

# CIO ANALYSIS

## AMENDMENT NO. 2 TO AGREEMENT H-701910 WITH PROVIDER ADVANTAGE, NW INC. (PA) TO ADD ADDRESS AND VERIFICATION SOFTWARE

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION  
☐ DISAPPROVE

### Contract Type:

☐ New Contract ☒ Contract Amendment ☐ Contract Extension  
☐ Sole Source Contract ☐ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: N/A Yrs # of Option Yrs N/A

### Contract Components:

☒ Software ☐ Hardware ☐ Telecommunications  
☒ Professional Services

Project Executive Sponsor: Mitchell H. Katz, M.D., Director, Department of Health Services

### Budget Information :

Y-T-D Contract Expenditures	\$2,592,730
Requested Contract Amount	\$ 440,706
Aggregate Contract Amount	\$3,033,436

### Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involve.

### Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan? This product was only recently introduced; consequently it was not identified in the DHS BAP. Procuring this product is not inconsistent with DHS' IT Strategic Plan and will be identified in Department's FY 2011-12 BAP.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

**Project/Contract Description:**

Department of Health Services (DHS) is requesting authorization to execute Amendment No. 2 to an Agreement with Provider Advantage, NW, Inc. (PA) that adds Address and Demographic Validation Service (ADVS) component to DHS' Eligibility Response Software.

This Amendment will add \$117,658 in funding for the period of March 1, 2011 through February 29, 2012 to pilot this software at LAC+USC Medical Center. It will also delegate authority to DHS to amend the Agreement to continue use of ADVS at LAC+USC Medical Center and expand its use to other DHS facilities, if the pilot project at LAC+USC Medical Center proves successful. If exercised, this will increase the contract sum by an additional \$323,048 for the period of March 1, 2012 through March 31, 2014.

**Background:**

DHS facilities began using PA's Eligibility Response Software in July 2003, which was acquired under a Purchase Order contract. This software is integrated with DHS Healthcare Information System (HIS), QuadraMed Affinity, and is used to obtain patient healthcare eligibility during registration.

In March 2006, DHS obtained Board approval for a sole-source agreement with PA to comply with the State's required format for HIPAA-compliant eligibility transactions. On March 3, 2009, Amendment No. 1 to that Agreement was approved, adding \$1,624,070 and extending the term of the Agreement through March 31, 2014 for ongoing support and maintenance of the software.

This Amendment adds the new ADVS software component to the existing Eligibility Response Software. ADVS for the QuadraMed Affinity System became available for the first time in December 2010 when LAC+USC Medical Center migrated to the products latest release.

**Project Justification/Benefits:**

ADVS enables verification of patient information, such as name, date of birth, social security number, and address. The Amendment will support a pilot program at LAC+USC Medical Center to test ADVS' effectiveness in improving financial collection efforts, patient appointment scheduling, and follow-up communications.

It will also improve data sharing by increasing the accuracy of patients' demographic information, thereby, improving DHS' ability to better identify patients with greater certainty. This increased level of patient information accuracy will allow DHS to more readily share patient information when necessary and to merge duplicate patient records when appropriate.

#### **Project Metrics:**

DHS will monitor the success of the pilot project at LAC+USC Medical Center and if the pilot proves effective, ADVS will be continued at the facility and will be implemented at the remaining DHS facilities.

The pilot project metrics include:

- Reduction in the number of accounts with bad addresses;
- Improved initial and follow-up communications between DHS clinicians and/or hospital staff and DHS patients; and
- Improved collection rates and reduction in collection costs.

#### **Impact on Service Delivery or Department Operations, if Proposal is Not Approved:**

If this Amendment is not approved, DHS will continue to operate its Eligibility Response Software module without increased patient address, demographic validation capabilities, and associated benefits.

#### **Alternatives Considered:**

As the Eligibility Response Software and ADVS software are proprietary products owned by PA, no other vendors or vendor products were considered.

As Phase I of this project proceeds at LAC+USC Medical Center, DHS will be working with the CIO to determine to what extent, if any, the County's Countywide Address Management System (CAMS) could be leveraged to address the validation component of ADVS (i.e., determining whether or not an address actually exists). That determination will be made prior to the completion of the pilot project at LAC+USC Medical Center, at which time the rollout of ADVS to the remaining DHS facilities might include a CAMS component, if determined to be a better solution.

#### **Project Risks:**

No significant project risks have been identified. DHS will first conduct a pilot project at LAC+USC Medical Center with relatively minimal costs (\$117,658). The success or failure of the pilot project will determine whether or not DHS rolls this software module out to the remaining DHS facilities.

The Chief Information Security Officer (CISO) reviewed the Amendment and did not identify any security risks or issues.

**Risk Mitigation Measures:**

DHS will be establishing tangible benchmarks to measure the pilot project's success. If the pilot project does not substantiate the effectiveness of this software, it will not be expanded to other DHS facilities.

Additionally, this Amendment contains a provision allowing DHS to terminate the Agreement for cause merely by providing PA with a 30-day written notice.

**Financial Analysis:**

The initial pilot project will increase the contact sum by \$117,658. Continued use at LAC+USC Medical Center and further deployment at DHS facilities will increase the contract maximum by an additional \$323,048 for a total of \$440,706. The costs for pilot and the full DHS deployment are identified below.

DESCRIPTION	COST
<b>LAC+USC Medical Center Pilot</b>	
Professional Services	\$ 17,258
Training	6,000
Subscription Costs (including potential transaction overages)	59,400
Licensing Costs	35,000
<b>Total</b>	<b>\$ 117,658</b>
<b>Continued Use at LAC+USC Medical Center &amp; Full DHS Deployment</b>	
Professional Services	\$ 5,548
Training	18,000
Subscription Costs (including potential transaction overages)	299,500
<b>Total</b>	<b>\$ 323,048</b>

DHS represents that funding is included in its FY 2010-11 Final Budget and will be requested in future fiscal years, if needed.

**CIO Concerns:**

None.

**CIO Recommendations:**

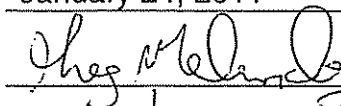
The Chief Information Officer recommends approval of this Amendment.

**CIO APPROVAL**

Date Received: January 4, 2011

Prepared by: Earl Bradley

Date: January 24, 2011

Approved: 

Date: 2/2/2011



EXHIBIT I

H-701910

PROVIDER ADVANTAGE NW, INCORPORATED  
HIPAA COMPLIANT 270/271 ELIGIBILITY RESPONSE SOFTWARE AGREEMENT  
AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011,

by and between

COUNTY OF LOS ANGELES  
(hereafter "County"),

and

PROVIDER ADVANTAGE, NW  
INCORPORATED  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "HIPAA COMPLIANT 270/271 ELIGIBILITY RESPONSE SOFTWARE AGREEMENT", dated March 21, 2006 and further identified as County Agreement No. H-701910, and any amendments thereto (all hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to test an Address and Demographic Validation Service ("ADVS") software component at LAC+USC Medical Center ("LAC+USC MC") and if successful upon completion of pilot program, then implement ADVS at other Department of Health Services authorized Facilities; and

WHEREAS, said Agreement provides that changes may be made in the form of a written amendment which is formally approved and executed by both parties.

NOW THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective upon the date of its approval by the County's Board of Supervisors.

2. Agreement Paragraph 8.2, "Maximum Contract Sum" shall be deleted in its entirety and replaced with the following:

"8.2 Maximum Contract Sum:

8.2.1 The Contract Sum for the period March 21, 2006 through March 31, 2009, including all applicable taxes, authorized by County hereunder shall not exceed Nine Hundred Sixty Eight Thousand, Seven Hundred Dollars (\$968,700). This maximum obligation shall be the total monetary amount payable by County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, services and other work requested and specified under this Agreement. All work completed by Contractor must be approved in writing by County. If County does not approve work in writing, no payment shall be due to Contractor for that work.

8.2.2 The Contract Sum for the period April 1, 2009 through March 31, 2014, including all applicable taxes, authorized by County hereunder shall not exceed One Million Six Hundred Twenty Four Thousand Thirty Dollars (\$1,624,030). This maximum obligation shall be the total monetary amount payable by County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, services and other work requested and specified under this Agreement. All work completed by Contractor must be approved in writing by County. If County does not approve work in writing, no payment shall be due to Contractor for that work.

8.2.3 The Contract Sum for the period March 1, 2011 through February 29, 2012, shall not exceed One Hundred and Seventeen Thousand, Six Hundred and Fifty-Eight Dollars (\$117,658) for the pilot project to add the ADVS software at LAC+USC MC. The revised total for all services, including all applicable taxes, authorized by County hereunder shall not exceed Two Million Seven Hundred Ten Thousand, Three Hundred and Eighty-Eight Dollars (\$ 2,710,388).

This maximum obligation shall be the total monetary amount payable by County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, services and other work requested and specified under this Agreement. All work completed by Contractor must be approved in writing by County. If County does not approve work in writing, no payment shall be due to Contractor for that work.

8.2.4 Upon completion of the pilot project at LAC+USC MC, the expansion of the pilot program to additional DHS facilities shall be upon the sole determination of the Director. Notwithstanding Paragraph 7, an administrative amendment shall be executed by the Director and Contractor prior to ADVS implementation at the other DHS facilities. The Contract Sum to add the ADVS software at the other DHS facilities and continue the service at LAC+USC MC shall not exceed Three Hundred and Twenty-Three Thousand, and Forty-Eight Dollars (\$323,048) during the period March 1, 2012 through March 31, 2014, including all applicable taxes, authorized by County hereunder and for which total of all services shall not exceed Three Million Thirty-Three Thousand, and Four Hundred and Thirty-Six Dollars (\$ 3,033,436). This maximum obligation shall be the total monetary amount payable by County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, services and other work requested and specified under this Agreement. All work completed by Contractor must be approved in writing by County. If County does not approve work in writing, no payment shall be due to Contractor for that work.

8.2.5 Notwithstanding any other provision of this Subparagraph, Contractor shall fully perform and complete all work required of Contractor by this Amended Agreement in exchange for the amounts to be paid to Contractor as set forth in this Amended Agreement.

8.2.6 The Contract Sum shall not be adjusted for any costs or expenses whatsoever of Contractor."

3. Agreement Paragraph 70, CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added as follows:

"70. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206. "

4. Agreement Paragraph 71, TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, shall be added as follows:

"71. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 70 - Contractor's Warranty of Compliance with County's Defaulted

Property Tax Reduction Program shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206."

5. Exhibit A-2, STATEMENT OF WORK, and Exhibit B-2, SCHEDULE OF PAYMENTS, shall replace Exhibits A-1 and B-1, respectively. Wherever Exhibit A-1 is referenced, it shall now reference Exhibit A-2. Wherever Exhibit A-2 is referenced, it shall now reference Exhibit B-2.

6. Except for the changes set forth herein above, Agreement shall not be changed in any respect by this Amendment.

/

/

/

/

/

/

/

/

/

/

IN WITNESS WHEREOF, Contractor has caused this Amendment to be duly executed in its behalf by its duly authorized officer and the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment to be executed on its behalf by the Director of Health Services thereof, the day and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director

PROVIDER ADVANTAGE, NW INCORPORATED  
Contractor

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Title \_\_\_\_\_

APPROVED AS TO FORM  
Andrea Ordin, County Counsel

**REVENUE360®**  
**STATEMENT OF WORK**

***HIPAA COMPLIANT 270/271 ELIGIBILITY SOFTWARE***  
***DEMOGRAPHIC VALIDATION SOFTWARE***

**BACKGROUND AND OVERVIEW**

**270/271 ELIGIBILITY SOFTWARE**

- a) The Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Title II requires the Department of Health and Human Services to establish national standards for electronic health care transactions and national identifiers for providers, Health Plans, and employers. Under the HIPAA Administrative Simplification Provisions, 270/271 transactions were adopted under 45 CFR 162 as the Electronic Data Interchange (EDI) standard for Health Care Eligibility Benefit Inquiry/Response. The 270/271 is a "paired" transaction: the 270 is an outbound eligibility inquiry and the 271 is an inbound eligibility response. Response times are measured in seconds. This process would be a significant improvement over telephone inquiries or paper methods of eligibility determination. All other real time formats for health care eligibility inquiry and response, other than Direct Data Entry (DDE), became obsolete effective October 16, 2003.
- b) In order to be in compliance with the HIPAA rules, the County, a covered entity, is mandated to abide by the ANSI X12 270/271 eligibility standard formats. For this reason, it is essential that the County continue to retain the Revenue360® Eligibility software to run in the background of the Healthcare Information System (HIS) registration process, which is managed by QuadraMed (QM), to obtain patient healthcare eligibility status via the 270/271 transaction enabling registration areas the capability to inquire in real-time. These continued services are required to remain HIPAA compliant.
- c) Revenue360® Eligibility, as defined in Attachment 1, is a software product that automates the process of interfacing QM Affinity's® ANSI compliant X12 270 transaction (Eligibility and Benefit Request) and the X12 271 transaction (Eligibility and Benefit Response) EDI module that can connect with California Medicaid ("Medi-Cal"), Centers for Medicare and Medicaid Services (for "Medicare" transactions) and a wide variety of Health Plans nationwide, providing the most current eligibility and benefit information available. Revenue360® Eligibility and other services provided as described in Attachment 2 (Retroactive Self-pay Identification Module ('RIM') Version 1.0 Summary), and 3 (Customer Support Requirements) of this document are subject to the monthly fees detailed in Exhibit B-2 of this document.

- d) While making every effort to comply with the federally mandated HIPAA Transaction Code Set (TCS) Health Care Eligibility Benefit Inquiry/Response Transaction (270/271) standard, it is essential that the County continue to use the QM EDI X12 270/271 Eligibility and Benefits tool set. Some of the functionality of this tool includes generating eligibility request (270) in the standardized federal format to payers in an on-line real time manner, using standardized interface functionality to view coded messages, generating multiple eligibility requests (270) to the same payer, viewing the returned eligibility data (271) from multiple locations within Affinity, storing multiple eligibility replies (271) to a single request (270) and automatically creating an eligibility request (270) at the point of patient registration based on payer source and patient service.

## **DEMOGRAPHIC VALIDATION SOFTWARE**

- e) The Revenue360® integrated Demographic Validation solution enhances patient identity management through the verification of patient name, date of birth, social security number and address. The Revenue360® Demographic Validation module can be used to verify patient/guarantor address validity, confirm patient/guarantor demographic information, as well as to locate unknown patient/guarantor address or demographic details.

This is accomplished in real-time mode by using a combination of the patients demographic data captured during the registration process. Revenue360® utilizes predefined business rules, created during product implementation, to verify patient's demographic information against the Demographic Validation data source for accuracy. Response times are measured in seconds.

The Revenue360 Address Validation Module verifies address validity and standardizes existing address information via integrated United States Postal Services (USPS) Address Matching System technology for defined patient populations.

The Address Validation portion of the Demographic Validation module enables County facilities to provide better patient care. Appointment scheduling and follow up communication is more effective when correct addresses are maintained within the Affinity system. Billing communication is also generated based on the address stored in Affinity, and the use of the Address Validation module will reduce the bad address returned mail volume.

Improving address accuracy during patient screening improves the County's ability to identify third party coverage and increase the success of self-pay collection. It is expected that by reducing the number of accounts going to collections, the fees paid to the County's contingent fee vendors will decrease. For this reason, it is essential that the County utilize the Revenue360® Demographic Validation software to run in the background of the HIS registration process, managed by QM, to obtain



patient address and demographic information, providing registration areas the capability to inquire on demand.

- f) Revenue360® Demographic Validation, as defined in Attachment 1, is a software product that automates the process of communicating with Affinity's® Demographic Validation interface, providing the most current patient address and demographic information available, for update to the patient record.

Revenue360® Demographic Validation and other services provided as described in Attachment 1, and 3 (Customer Support Requirements) of this document are subject to the monthly fees detailed in Exhibit B-2 of this document.

- g) The Revenue360® integrated Demographic Validation Module is a proprietary solution for Affinity, designed to only work with QM and Provider Advantage applications.

The system will be fully integrated to interface with Affinity and will function through the use of Affinity and web browser screens. The business rules governing the patient types and screening frequency will be defined by the County to maximize receipt of valid data. Some of the functionality of this module includes manually generating an Address Validation and/or Demographic Validation request, automating request submission based on rules (bad address flag etc.), reviewing demographic or address results, selecting single result from multiple records, posting selected data elements to the field level in Affinity. The module requires Affinity M8SP1 for integration.

#### **TASK No. 1.0 – System Maintenance - 270/271 Eligibility Software:**

**Subtask 1.1** – Contractor shall provide System Maintenance, **Product Updates**, additional maintenance, Customer Support and Customer Support for additional Products or Services. Upgrades and revisions required to maintain compliancy with federal/state regulations will be made by the contractor at no cost to the County.

**Deliverable 1.1** – Contractor shall provide System Maintenance on a base monthly fee, including Product **Updates** (not rewrites or **Upgrades unless Contractor provided similar upgrades to Contractor's other customers at no additional cost**) needed to process transactions. Additional maintenance and customer support after business hours and Customer Support for additional Products or Services will be provided on a time and materials basis under the fees for custom programming as described in Exhibit B-2. Upgrades and revisions required to maintain compliancy with federal/state regulations will be made by the contractor at no cost to the County.

The Revenue360® Eligibility, Retroactive Self-pay Identification Module (RIM) and Demographic and Address Validation programs are described in Exhibit A-2, Attachments 1, 2 and 3.

Contractor may provide Customer Support for additional Products or Services not specified in these paragraphs under the fees as described in Exhibit B-2, if such Customer Support is specifically requested in the applicable Software Change Request Form (see Exhibit B-2, Attachment 1)

All of the following items will be considered part of the system maintenance and covered under the fixed monthly fee:

- a. Maintenance of Revenue360® software (formerly VeriLink Eligibility).
- b. Maintenance of the RIM module as defined in the Version I (one) design document (see Attachment 3).
- c. Updates to the software as released from time to time to other customers or as identified by Contractor or County to improve processing and agreed to by Contractor.
- d. Upgrades will be provided at no additional cost to the County when Contractor provided similar upgrades for Contractor's other customers at no additional cost.
- e. Processing transactions within the Revenue360® Eligibility processing design limitations

#### **TASK No. 2.0 – Clearing House Eligibility Transactions- 270/271 Eligibility Software**

##### **Subtask 2.1 – Clearing House Eligibility Transactions**

The Contractor shall process Clearing House transactions through the Revenue360® Eligibility System for commercial payers on a per transaction fee basis (see Exhibit B-2 - Schedule of Payments).

##### **Deliverable 2.1 - Clearing House Eligibility Transactions**

The County will pay for clearing house transactions at the rate per transaction as specified in Exhibit B-2.

#### **TASK NO. 3.0 – Processing After Design Limits Exceeded - 270/271 Eligibility Software:**

**Subtask 3.1 – Contractor shall provide resources to process transactions when the volume exceeds the system design limitations.**

**Deliverable 3.1 – Transaction Processing after Design Limit Exceeded:** Contractor shall provide commercially reasonable efforts to modify the provided Products and/or provide Customer Support so as to enable County to process transactions when the volume reaches or exceeds the Products' design limitations. County shall pay for transactions in excess of design limitation on a per transaction basis as specified in Exhibit B-2.

This version of Revenue360® software was written specifically to meet County's requirements for processing speed and capacity with applicable updates that Contractor shall provide County from time to time. Currently, Revenue360® Eligibility has a processing design limitation of 600,000 Admissions Eligibility transactions per month and 2,400,000 RIM Transactions per month.

The County may reduce per transaction fees for Admissions Eligibility transactions that can be returned by Revenue360 prior to sending to the payer, due to incomplete or invalid data content. This functionality requires custom programming, completed at the request of the County, at the defined custom programming rates using the Software Change Request Form (Exhibit B-2: Attachment 1)

#### **TASK NO. 4.0 – Professional Services- 270/271 Eligibility Software:**

**Subtask 4.1** – Contractor shall provide Professional Services on a time and materials basis using the hourly rates in Exhibit B-2 according to a Requirements Document and Work Order (Software Change Request) executed by both parties. The County will pay only for authorized Professional Services when the County authorizes this work in writing (see Exhibit B-2, Professional Services Fees).

1. Class A Technician

A Class A Technician directs and manages activities of Contractor's staff to accomplish such tasks and objectives as are defined from time to time by Contractor and County. A Level A individual may report to the County's Project Director regarding performance, personnel matters, operating standards, systems evaluation and actions on all activities performed by Contractor Personnel.

2. Class B Technician

A Class B Technician provides consultation regarding specific tasks and objectives defined from time to time by Contractor and County related to the general operation and support of the system.

3. Class C Technician

A Class C Technician provides assistance in analysis, design, programming, documentation writing and edition, training, testing, maintenance, review, installation and implementation of original or previously written programs, systems, utilities or functions.

#### **Deliverable 4.1 – Custom Programming**

County shall reimburse Contractor for reasonable and necessary time and expenses incurred by Contractor to resolve issues which are necessitated by reasons other than the Products not meeting **Specifications**, including any time and expenses incurred relative to rendering any computer or Local Area Network (LAN) capable of operating the Product licensed under this Agreement (see Exhibit B-2, Schedule of Payments).

## **TASK NO 5.0 – Onsite Training - 270/271 Eligibility Software:**

### **Subtask 5.1 – Onsite Training**

Contractor shall provide onsite training on an as needed basis. Contractor staff will be billed at the per diem rate of \$1,000 per day, per person with a maximum of five days per trainer, (see Exhibit B-2, Schedule of Payments). Contractor will bill County for travel and lodging expenses for training staff.

### **Deliverable 5.1 – Onsite Training**

Contractor shall provide onsite training to the County charging a per diem rate for staff time. The County shall reimburse only actual travel and lodging expenses subject to the Auditor Controller's Travel policy detailed in Chapter 12 of the Fiscal Manual. The amounts paid will not exceed the County Auditor-Controller's guidelines.

County will provide one individual staff member to attend all scheduled sessions to represent County.

Training sessions may be combined across facilities and Revenue360® modules at the discretion of the County.

## **TASK 6.0 – Pool Dollars - 270/271 Eligibility Software:**

### **Subtask 6.1 - Surcharges**

Contractor shall pass through without additional mark-up to the County any telecommunications surcharges or other surcharges, etc., assessed by a Health Plan or telecommunications carrier to Contractor that is related to the agreement, but is outside the agreement. See Exhibit B-2, Schedule of Payments.

Contractor shall pass through without additional mark-up to the County any increases in communication tariffs related to services or any fees charged for access to data including, government imposed access fees, fees resulting from changes in regulation or statute, or other similar fees assessed against the Contractor that are outside of the Contractor's control.

### **Deliverable 6.1 - Surcharges**

Contractor shall invoice to the County telecommunications or other surcharges assessed by a Health Plan or telecommunications carrier to Contractor without additional mark-up. County shall pay Contractor for surcharges as described above according to Exhibit B-2, Schedule of Payment.

Contractor shall invoice to the County any increases in communication tariffs related to services or any fees charged for access to data including, government imposed access fees, fees resulting from changes in regulation or statute, or other similar fees assessed against the Contractor that are outside of the Contractor's control, without additional mark-up. County shall pay Contractor for surcharges as described above according to Exhibit B-2, Schedule of Payment.

### **Subtask 6.2 – Reports**

Contractor shall provide customized management reports in formats and time frames, as reasonably requested by the Director and agreed to by the Contractor at no additional cost to the County. The specifications for these reports will be determined by mutual agreement by the County and Contractor.

Contractor shall meet to discuss any recommendations to adjust the System or improve performance of the Software/Product on the System to achieve optimal performance of the Product in the existing System environment. Contractor shall provide written reports including recommendations as requested by Director and agreed upon by the Contractor at no additional cost to the County.

### **Deliverable 6.2 – Reports**

Upon the Director's request, Contractor shall work with the County to determine the specifications of the report(s) requested and provide customized management report(s) in formats and timeframe agreed upon by Director and Contractor at no additional cost to the County.

Contractor shall analyze the System's performance and provide written performance review reports and recommendations as requested by Director at no additional cost to the County.

## **TASK NO. 7.0 – Professional Services- Demographic Validation Software:**

**Subtask 7.1** – Contractor shall provide Professional Services on a time and materials basis using the hourly rates in place with the QM contract, including all Consumer Price Index (CPI) or other adjustments according to a Requirements Document and Work Order (Software Change Request) executed by both parties. The County will pay only for authorized Professional Services when the County authorizes this work in writing (see Exhibit B-2, Professional Services Fees).

### **1. Class A Technician**

A Class A Technician directs and manages activities of Contractor's staff to accomplish such tasks and objectives as are defined from time to time by Contractor and County. A Level A individual may report to the County's Project Director regarding performance, personnel matters, operating standards, systems evaluation and actions on all activities performed by Contractor Personnel.

### **2. Class B Technician**

A Class B Technician provides consultation regarding specific tasks and objectives defined from time to time by Contractor and County related to the general operation and support of the system.

### **3. Class C Technician**

A Class C Technician provides assistance in analysis, design, programming, documentation writing and edition, training, testing, maintenance, review, installation and implementation of original or previously written programs, systems, utilities or functions.

**Deliverable 7.1 – Custom Programming**

County shall reimburse Contractor for reasonable and necessary time and expenses incurred by Contractor to resolve issues which are necessitated by reasons other than the Products not meeting **Specifications**, including any time and expenses incurred relative to rendering any computer or Local Area Network (LAN) capable of operating the Product licensed under this Agreement (see Exhibit B-2, Schedule of Payments).

**TASK NO 8.0 – Onsite Training - Demographic Validation Software:**

**Subtask 8.1 – Onsite Training**

Contractor shall provide onsite training on an as needed basis. Contractor staff will be billed at the per diem rate of \$1,000 per day, per person with a maximum of five days per trainer, (see Exhibit B-2, Schedule of Payments). Contractor will bill County for travel and lodging expenses for training staff.

**Deliverable 8.1 – Onsite Training**

Contractor shall provide onsite training to the County charging a per diem rate for staff time. The County shall reimburse only actual travel and lodging expenses subject to the Auditor Controller's Travel policy detailed in Chapter 12 of the Fiscal Manual. The amounts paid will not exceed the County Auditor-Controller's guidelines.

County will provide one individual staff member to attend all scheduled sessions to represent County.

Training sessions may be combined across facilities and Revenue360® modules at the discretion of the County.

**TASK No. 9.0 – Address Validation Transactions- Demographic Validation Software:**

**Subtask9.1 – Address Validation Transactions**

The Contractor shall provide Address Validation transactions through Revenue360® on a subscription pricing basis (see Exhibit B-2, Schedule of Payments). Contractor will provide up to date transaction volume reporting, by facility for the current month, on a bi-monthly basis.

**Deliverable 9.1 –Address Validation Transactions**

The County will pay for Address Validation transactions on a subscription pricing basis, as specified in Exhibit B-2 - Schedule of Payments. Contractor will provide transaction volume reporting by facility, for the current month, on a bi-monthly basis.

**TASK No. 10.0 – Demographic Validation Transactions - Demographic Validation Software:**

**Subtask 10.1 – Demographic Validation Transactions**

The Contractor shall provide Demographic Validation transactions through Revenue360® on a subscription pricing basis (see Exhibit B-2 - Schedule of Payments). Contractor will provide up to date transaction volume reporting, by facility for the current month, on a bi-monthly basis.

**Deliverable 10.1 – Demographic Validation Transactions**

The County will pay for Demographic Validation transactions on a subscription pricing basis, as specified in Exhibit B-2. Contractor will provide transaction volume reporting by facility, for the current month, on a bi-monthly basis.

**TASK No. 11.0 – Demographic Validation & Address Validation Licensing - Demographic Validation Software:**

**Subtask 11.1 – Demographic Validation & Address Validation Licensing**

The Contractor shall license the Revenue360® Demographic Validation and Address Validation module to the County at a fixed price basis, as defined in Exhibit B-2, Schedule of Payments.

**Deliverable 11.1 – Demographic Validation & Address Validation Licensing**

The Contractor shall license the Revenue360® Demographic Validation and Address Validation module to the County on a fixed price basis, as defined in Exhibit B-2, Schedule of Payments.

**TASK No. 12.0 – Address Validation Transaction Overage- Demographic Validation Software:**

**Subtask 12.1 – Address Validation Transaction Overage**

The Contractor shall process Address Validation transactions exceeding the minimum subscription level, through Revenue360® on a per transaction fee basis (see Exhibit B-2, Schedule of Payments). All overages will be charged at the same per transaction rate, based on the total volume submitted for the month.

**Deliverable 12.1 – Address Validation Transaction Overage**

The County will pay for Address Validation transactions exceeding the minimum subscription level, at the rate per transaction as specified in Exhibit B-2 –Schedule of Payments.

**TASK No. 13.0 – Demographic Validation Transaction Overage - Demographic Validation Software:**

**Subtask 13.1 – Demographic Validation Transaction Overage**

The Contractor shall process Demographic Validation transactions exceeding the minimum subscription level, through Revenue360® on a per transaction fee basis (see Exhibit B-2, Schedule of Payments). All overages will be charged at the same per transaction rate, based on the total volume submitted for the month.

**Deliverable 13.1 – Demographic Validation Transaction Overage**

The County will pay for Demographic Validation transactions exceeding the minimum subscription level, at the rate per transaction as specified in Exhibit B-2 –Schedule of Payments.



**REVENUE360®**  
**DESCRIPTION OF *PRODUCTS AND SERVICES***

**Revenue360® Eligibility**

Revenue360® Eligibility will interface with the QuadraMed Affinity 270/271 EDI module and automate the process of creating and processing a query and response electronically accessible from Health Plans eligibility and benefit data bases throughout the country, providing the most current eligibility information available.

**Eligibility Workflow / Processing**

1. Accepts an automatically or manually generated inquiry from the registration or scheduling system using Affinity defined X12 270 transaction format.
2. Maps user defined insurance codes from registration or scheduling system to specific payer or clearinghouse requirements and translates inquiry to a normalized HIPAA defined version 4010 X12 270 formatted eligibility inquiry format.
3. Translates the normalized X12 270 formatted eligibility inquiry to a Health Plan specific X12 270 format or non-standard eligibility inquiry format.
4. Transmits the inquiry to Medicare, Medicaid, national Health Plans or regional or local Health Plans who provide access and are covered by this Agreement or any amendments to this Agreement. A listing of all Health Plans covered by this agreement is posted and constantly updated at the Contractor's website for reference. Where available, Revenue360® Eligibility also supports connections directly to regional Health Plans if not accessible from a clearinghouse (requires a Software Change Request and amendment to the Agreement). Revenue360® Eligibility uses Health Plan required communications protocol for each connection. Revenue360® Eligibility stores inquiries during scheduled Health Plan down times for transmission at a later time when the Health Plan's system is available (configuration required).
5. Receives a HIPAA defined, Health Plan configured X12 271 response or proprietary non-standard eligibility response from Health Plan.
6. Translates the eligibility response to the format required by registration or scheduling system vendor.
7. Delivers this transaction to the registration or scheduling system for posting to the patient account.
8. Creates exception reports for inquiry results showing patients as ineligible, showing Medicare restrictions and/or treatment parameters or with other management defined information.

Revenue360® Eligibility produces payer specific exception reports or staff work lists allowing staff to focus research on exceptions or accounts with identified problems. These custom defined reports can increase staff efficiency by eliminating handling of consolidated paper reports for all Health Plans and all exception patient accounts.

### **Eligibility Health Plan Connections**

1. Accessing data directly from Medi-Cal through the current County provided network (WAN) connection. Revenue360® Eligibility's ability to process Medi-Cal inquiries is limited to the capability of this connection.
2. Accessing data directly from The Centers for Medicare & Medicaid Services (CMS) Medicare database through the current County contracted network (WAN) connection or the Provider Advantage contracted connection to Medicare. Revenue360® Eligibility's ability to process Medicare inquiries is limited to the capability of these connections.
3. Accessing data from various commercial, Medicaid agencies, and other Health Plans available through the Emdeon real time switch. This access shall use an Internet Virtual Private Network (VPN) connection to Contractor's hub in Portland, Oregon and Contractor shall connect to Emdeon through their network connection to the Emdeon real time switch.
  - i. Through this Emdeon connection, Contractor shall provide County access to data from a number of commercial Health Plans or Medicaid agencies as determined by County. Periodically additional Health Plans are available and Contractor shall provide access to the data from these Health Plans upon request from the County and in a manner consistent with Contractor's other customers.
  - ii. Revenue360® Eligibility's ability to process inquiries to the Health Plans available through Emdeon is limited to the capability of the County's connection to Contractor's hub. Using this connection, Contractor can provide an alternative path to Medi-Cal and Medicare if County's connection to these Health Plans becomes inoperative and County requests use of this pathway in writing. Contractor requires a minimum of one business day to configure and manually convert to this alternative routing. The time and materials to coordinate this connection shall be considered Chargeable Support to the County.
4. Accessing data directly from the Office of Managed Care Community Health Plan (OMC/CHP) through the current County provided network (WAN) connection. Revenue360® Eligibility's ability to process OMC/CHP inquiries is limited to the capability of this connection.
5. Development of a different or additional connection or methodology to access data for any of the above Health Plans or clearinghouses or a different clearinghouse or Health Plan will require additional software development on a time and materials or negotiated basis.

## **Revenue360® Demographic Validation and Address Validation**

Revenue360® Demographic Validation Module initiates a real-time demographic request that is returned within seconds during the registration process after all necessary data elements are gathered. Demographic details such as address validity, current residence and fraud indicators are returned and the user is notified of the patient's benefit status and suggested next steps based on the facility rules, using intelligent guidance. This allows hospital staff to view the necessary demographic information and determine the validity of the patient's demographic information, and act on the instructions provided.

Revenue360® Demographic Validation module reduces input errors by validating and providing alternate name, address, telephone and other demographic information at the point of service, by accessing multiple demographic data sources. Using cascading search criteria to obtain the best information possible, it organizes the returned information, highlighting any differences, allowing the user to update the system. Quickly obtaining correct address information at registration means claims and invoices can be processed faster and more accurately, decreasing A/R days and improving patient satisfaction. It also improves the ability of our providers to contact patients for management of their care.

The Revenue360® Demographic Validation Module integrates two primary functions with intelligent guidance.

1. The Revenue360® Address Validation Module verifies address validity and standardizes existing address information via integrated USPS Address Matching System technology for defined patient populations.
  - Verify if a Patient / Guarantor address is a valid USPS existing address using facility defined business rules.
2. The Revenue360® Demographic Validation Module accesses proprietary demographic data sources to validate and return the most current available patient demographic details, such as name, current address, telephone, as well as Social Security Number (SSN) validity and fraud indicators.
  - Confirm listed Patient / Guarantor address and demographic information using facility defined business rules.
  - Locate unknown Patient / Guarantor address using facility defined business rules.

### **Address Validation Workflow / Processing**

1. Processes an automatically or manually generated Address Validation inquiry from Affinity.
2. Applies facility specific business rules to the request prior to submission.
3. Verifies validity of current address information via USPS databases.
4. When possible, standardizes address via USPS databases to USPS format.
5. Applies facility specific business rules to the demographic response prior to display for user.
6. Display Address Validation results in Revenue360® Response Viewer for user review and action.
  - o Indicates to user if address existence has been verified via USPS databases.
  - o Indicates to user if address has been standardized via USPS databases.
7. User interaction with the Revenue360® Response Viewer to select the desired result and field level updates.
8. Posts the desired Address Validation information and field level updates to the patient account.
9. Creates and prints exception reports for results showing accounts with further review required, or other management defined information.

### **Address Validation Data Source Connections**

1. Accessing data from various third party agencies through the Provider Advantage network, via connection to a central processing switch.
2. This access shall use an Internet Virtual Private Network (VPN) connection to Contractor's hub in Portland, Oregon.
3. All Address Validation inquiries shall be run through Contractor's central processing switch.
4. Address Validation Databases shall be loaded on the Contractor's central processing switch, according to USPS specifications and contractual requirements.

### **Demographic Validation Workflow / Processing**

1. Creates an automatically or manually generated Demographic Validation inquiry from Affinity.
2. Applies facility specific business rules to the request prior to submission.
3. Process Address Validation prior to processing Demographic Validation
  - o Verifies current address information prior to submission.
  - o Standardizes current address information prior to submission.
4. Translates the inquiry to a demographic source in a proprietary request format via the required communications protocols.
5. Applies facility specific business rules to the demographic response prior to display for user.
6. Display demographic response information on the Revenue360® workstation in the Revenue360® Response Viewer for user review and action.
7. User interaction with the Revenue360® Response Viewer to select the desired result and field level updates.
8. Posts the desired response information and field level updates to the patient account.
9. Creates and prints exception reports for results showing accounts with further review required, or other management defined information.

### **Demographic Validation Data Source Connections**

1. Accessing data from various third party agencies through the Provider Advantage network, via connection to a central processing switch.
2. This access shall use an Internet Virtual Private Network (VPN) connection to Contractor's hub in Portland, Oregon.
3. All Address Validation & Demographic Validation inquiries shall be run through Contractor's central processing switch.
4. Contractor shall connect central processing switch to additional outside data-sources indirectly, through their network connection to the data source.

**REVENUE360®**  
**RETROACTIVE SELF-PAY IDENTIFICATION MODULE ("RIM")**  
**VERSION 1.0 SUMMARY SPECIFICATIONS**

**Background**

Approximately 40% of the County's admissions are self-pay patients. An additional group of patients present themselves as covered by Medi-Cal but ineligible responses are returned from the Medi-Cal System. Because a significant number of these patients become eligible for Medi-Cal subsequent to registration, a key business strategy of the County is to periodically check Medi-Cal eligibility for these self-pay patients over a defined period (up to 12 months after admission). Once identified as having retroactive coverage, the County can prepare a claim and send it to Medi-Cal for reimbursement for covered services.

**Feature Summary**

Version 1.0 of the Revenue360® Retroactive Self-Pay Identification Module (RIM) contains the following features. Contractor designed Version 1.0 in partnership with the County and has developed it for exclusive use of the County.

1. When a self-pay or Medi-Cal patient is registered, Revenue360® Eligibility sends an inquiry to Medi-Cal. Any 271 response from Medi-Cal that does not have an active benefit segment (Active Coverage) will be stored in a RIM database. There will be two RIM databases, one for each server.
2. Revenue360® Eligibility periodically reviews the self-pay databases and selects self-pay patients based on monthly inquiry intervals defined by each facility up to 12 months (monthly, every other month, quarterly, etc.). Contractor recommends a starting model of checking each patient monthly for the first three months and then the 6<sup>th</sup>, 9<sup>th</sup>, and 12<sup>th</sup> month.
3. Revenue360® Eligibility generates an inquiry to Medi-Cal for selected Medi-Cal ineligible patients. The RIM processing module submits at a lower priority than new admission inquiries so as not to negatively affect response times. The RIM will send the majority of RIM inquiries at the periods of lowest daily volume.
4. Revenue360® Eligibility returns to Affinity and Affinity posts all inquiry responses that show Active Coverage. (Revenue360® Eligibility uses the original Affinity transaction control number when posting.)
5. Revenue360® Eligibility creates a printable report by facility for all inquiries that return a response indicating Active Coverage. Revenue360® Eligibility also creates a comma-delimited file by facility that corresponds to each report so County staff can manipulate the data using work lists or other data manipulation programs etc. The report and file formats will be mutually agreed upon by the County and Contractor.

6. Each facility has the responsibility for updating a patient's information based on a successful post admission self-pay inquiry (using reports or comma-delimited file). The facility will then submit claims to Medi-Cal for self-pays showing eligibility for prior dates of service.
7. The RIM module will accept a file from Affinity generated in a mutually agreed upon format which identifies patients to be deleted from the re-inquiry data base for any reason (e.g. a patient pays the bill). It is the County's responsibility to provide this file to Revenue360® Eligibility in a mutually agreed upon format.

**REVENUE360®**  
**CUSTOMER SUPPORT REQUIREMENTS**

1. **Customer Support Coverage:** Contractor shall provide the following Customer Support during the times specified below and included under fees in Deliverable 1.1. Contractor shall provide additional Customer Support seven days a week, including holidays, between the hours of 11:00 PM to 7:00 AM (Pacific Time) for hourly fees specified under Deliverable 4.1.
2. **Customer Support - Business Day:** The following items are included in normal Customer Support. The hours for a normal business day are 7:00 AM to 5:30 PM (Pacific Time).
  - a. Periodic (minimum twice daily) proactive monitoring of the County Revenue360® installation utilizing Contractor Revenue360® Support Wizard.
  - b. Resolution of any critical Revenue360® issues. A critical issue is defined as a system outage due to a Revenue360® system problem or other Contractor related issue which causes Revenue360® to behave outside of the agreed upon functionality. Critical issues require Contractor support intervention in order to resolve.
  - c. Telephone response to County initiated support requests regarding Revenue360® functionality issues and questions and any related issues.
  - d. Resolution of Health Plan and Clearinghouse issues related to transaction content, format, communications, etc.
  - e. Help to identify and resolve issues external to Revenue360. This may include County LAN / WAN connectivity, Health Plan connectivity, Contractor network, or Affinity interface, etc. This Help may include creating reports and preparing documentation of problem.
  - f. Remote user training for reports including reading and interpreting Health Plan responses and Revenue360® functionality issues and questions.
  - g. Revenue360® facility telephone or internet specific training and end user support documentation.
3. **Customer Support - After Hours / Contractor Holidays / Weekends**  
After Hours Customer Support occurs between the hours of 5:30 PM and 11:00 PM Pacific Time ("PT") on Business Days and between the hours of 7:00 AM and 11:00 PM PT on days other than Business Days :
  - a. Periodic (minimum twice daily) proactive monitoring of the County Revenue360® installation utilizing Contractor's Support Wizard.
  - b. Resolution of any critical Revenue360® issues. A critical issue is defined as a system outage due to a Revenue360® system problem or other Contractor related issue which causes Revenue360® to behave outside of the agreed upon functionality. Critical issues require Contractor support intervention in order to resolve.



- c. Two hours maximum commitment for scheduled interventions or support that the County schedules at least 48 hours in advance (County hardware or network reconfigurations etc.)
- d. Contractor shall make reasonable efforts to respond between the hours of 11:00 pm through 6:00 am to a critical support call within one hour from notice. Non-critical issues to be resolved on next business day.

**REVENUE360®**  
**AUTHORIZED FACILITIES**

The County currently operates four hospitals, two multi-service ambulatory care centers, and fourteen health and comprehensive health centers. Each site provides a variety of quality health care to the communities within the County of Los Angeles.

The County and Contractor consider the following sites and the associated comprehensive health centers and health centers as Authorized Facilities to use Revenue360® and associated software Products and Services. County and Contractor may add additional Authorized Facilities by mutual agreement of the parties as an addendum to this Agreement.

1. Harbor/UCLA Medical Center
2. High Desert - Multi-Service Ambulatory Care Center (MACC)
3. LAC+USC Healthcare Network
4. Martin Luther King, Jr. - Multi-Service Ambulatory Care Center (MACC)
5. Olive View-UCLA Medical Center
6. Rancho Los Amigos National Rehabilitation Center

**Exhibit B-2****Provider Advantage NW, Incorporated****I. HIPAA Compliant 270/271 Transactions**

Deliverable No.	Deliverable Title	4/1/09-3/31/10	4/1/10-3/31/11	4/1/11-3/31/12	4/1/12-3/31/13	4/1/13-3/31/14
1	System Maintenance (1)	\$240,000	\$240,000	\$252,000	\$264,600	\$277,830
2	Clearing House Eligibility Transactions (2)	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
3	Transaction Processing After Design Limits (3)	1,000	1,000	1,000	1,000	1,000
4	Professional Services Fees (4)	42,000	44,100	46,300	48,600	51,100
5	On Site Training as Needed (5)	14,000	14,000	14,000	14,000	14,000
6	Pool Dollars	1,000	1,000	1,000	1,000	1,000
	Total	\$305,500	\$307,600	\$321,800	\$336,700	\$352,430

**HIPPA Compliant 270/271 Transactions (4/1/09 to 3/31/14): \$1,624,030**

**II. Demographics & Address Validation**

Deliverable No.	Deliverable Title	4/1/09-1/31/11	3/1/11-2/29/12	3/1/12-3/31/12	4/1/12-3/31/13	4/1/13-3/31/14
7	Professional Services Fees (7)	\$0	\$17,258	\$6,036	\$9,054	\$0
8	On Site Training as Needed (8)	\$0	\$6,000	\$6,000	\$6,000	\$6,000
9	Minimum Address Validation Subscription (9)	\$0	\$20,700	\$1,725	\$20,700	\$20,700
10	Minimum Demographic Validation Subscription (10)	\$0	\$18,000	\$2,500	\$30,000	\$30,000
11	Software License (11)	\$0	\$35,000	\$0	\$0	\$0
12 / 13	Transaction Processing After Limits (12) (13)	\$0	\$20,700	\$24,425	\$80,137	\$79,471
	Total		\$117,658	\$40,986	\$145,891	\$136,171

LAC+USC MC Pilot (3/1/11 – 2/29/12):

\$117,658

Implementation at all facilities (3/1/12 -3/31/14):

\$323,048

**All Demographic & Address Validation Services:**

**\$440,706**

**Total All Services:**  
**\$2,064,736**

- (1) System Maintenance will be paid at \$20,000 for the first two (2) years with a 5% increase per year for the remaining three (3) years.
- (2) Clearinghouse transaction fees will be charged as used by the County at \$.1875 per occurrence. Usage is estimated at 40,000 transactions per year.
- (3) The County does not anticipate exceeding the design limitations of Revenue360® Eligibility. A \$1,000 per year for overage has been used as a precaution.
  - a) The County will pay for Admissions Eligibility transactions submitted to the insurance payer, in excess of 600,000 per month at \$.055 per transaction.
  - b) The County will pay for Retroactive Self-Pay Identification transactions (RIM) in excess of 2,400,000 per month at \$.0018 per transaction.
  - c) Admissions Eligibility transactions returned by Revenue360 without being sent to the insurance payer will be subject to Retroactive Self-Pay Identification transaction volumes and overage rates. This functionality requires custom programming, completed at the request of the County, at the defined custom programming rates using the Software Change Request Form (Exhibit B-2: Attachment 1). The County will pay for Admissions Eligibility transactions returned by Revenue360 without being sent to the insurance payer, in excess of 2,400,000 per month at \$.0018 per transaction.
- (4) Custom Programming shall be charged on an as needed basis. It is estimated that 200 programming hours will be used per year at the Class A rate of \$210 per hour. The estimated amounts are calculated using a 5% increase per year. Class B rate is \$178 per hour and Class C is \$153 per hour.
- (5) Travel expenses for onsite annual training are allocated at \$2,000 per person for 2 Contractor staff for each year, (one week of training). Contractor training staff is billed at \$1,000 per diem for 5 days of training; (\$10,000 of staff charges for two persons for one week plus \$2,000 per person travel expenses). The travel expenses will be based on actual expenses and reimbursed subject to the Auditor-Controller guidelines. Training sessions may be combined across facilities and Revenue360® modules at the discretion of the County.
- (6) Contractor shall pass through without additional mark-up to the County any telecommunications surcharges or other surcharges, etc., assessed by a Health Plan or telecommunications carrier to Contractor that is related to the agreement, but is outside the agreement. An estimate of \$1,000 per year is included for this type of expense.

(7) Custom Programming shall be charged on an as needed basis. It is estimated that programming hours defined below will be used per year at the Class A rate of \$210 per hour, Class B rate of \$178 per hour and Class C rate of \$153 per hour.

#### One Time Professional Service Fees

Revenue360® DV / AV Implementation Core

- 80 hrs – Class B: \$14,240

#### Per Site Implementation Professional Service Fees

See item A-2 - Attachment 4 for list of County Authorized Facilities

Revenue360® DV / AV Implementation – Pilot Site

- 10 hrs – Class A: \$2,100

Revenue360® DV / AV Implementation – Pilot Site

- 6 hrs – Class C: \$918

Revenue360® DV / AV Implementation – Each Additional Facility

- 10 hrs per site – Class A: \$2,100 / Site

Revenue360® DV / AV Implementation – Each Additional Facility

- 6 hrs per site – Class C: \$918 / Site

#### Anticipated Implementation Timeline

Dollar amounts allocated for Professional Service Fees<sup>(7)</sup>, Minimum Subscription Amounts<sup>(9)</sup> <sup>(10)</sup> and Transaction Processing After Limits<sup>(12)</sup> <sup>(13)</sup> for the Demographic and Address Validation Module are based on the following anticipated implementation timeline.

- 2010: Pilot site in production
  - 1 facility
    - LAC+USC Healthcare Network
  - Tier 1 volume, subscription and overage rates for Demographic Validation <sup>(8)</sup>
  - Tier 1 volume, subscription and overage rates for Address Validation <sup>(9)</sup>
- 2011: Early adopters in production
  - 2 facilities
    - Harbor/UCLA Medical Center
    - Rancho Los Amigos National Rehabilitation Center
  - Tier 2 volume, subscription and overage rates for Demographic Validation <sup>(10)</sup>
  - Tier 2 volume, subscription and overage rates for Address Validation <sup>(9)</sup>
- 2012: Remaining facilities in production
  - 3 facilities
    - Olive View/UCLA Medical Center
    - High Desert Health System - Multi-Service Ambulatory Care Center (MACC)
    - Martin Luther King, Jr./Harbor - Multi-Service Ambulatory Care Center (MACC)
  - Tier 3 volume, subscription and overage rates for Demographic Validation <sup>(10)</sup>

- Tier 3 volume, subscription and overage for Address Validation (7)

(8) Travel expenses for onsite annual training are allocated at \$1,000 per person for 2 Contractor staff for each year, (one day of training). Contractor training staff is billed at \$1,000 per diem; (\$4,000 of staff charges for two persons for two days plus \$2,000 travel expenses). The travel expenses will be based on actual expenses and reimbursed subject to the Auditor-Controller guidelines. Training sessions may be combined across facilities and Revenue360® modules at the discretion of the County.

(9) The Contractor shall process Address Validation transactions though Revenue360® on a subscription pricing basis (see Exhibit B-2, Schedule of Payments).

Transaction Type	From	To	Subscription Price
Address Validation	0	75,000	\$1,725.00

(10) The Contractor shall process Demographic Validation (DV) transactions though Revenue360® on a subscription pricing basis (see Exhibit B-2, Schedule of Payments).

Transaction Type	From	To	Subscription Price
Pilot period DV	0	2,500	\$1,500.00
Demographic Validation	0	5,000	\$2,500.00

(11) The Contractor shall license the Revenue360® Demographic Validation and Address Validation module to the County at a fixed price basis.

(12) The County will pay for Address Validation transactions exceeding the minimum subscription level, at the rate per transaction defined based on total monthly address validation volume for all facilities. All overages will be charged at the same per transaction rate, based on the total volume submitted for the invoice month.

Transaction Type	From	To	Per Trans Overage Cost
Address Validation	75,001	125,000	\$0.022
Address Validation	125,001	250,000	\$0.021
Address Validation	250,001	375,000	\$0.019
Address Validation	375,001	500,000	\$0.018
Address Validation	500,001	650,000	\$0.016
Address Validation	650,001	800,000	\$0.014
Address Validation	800,001	1,000,000	\$0.013
Address Validation	1,000,001	Unlimited	\$0.011

(13) The County will pay for Demographic Validation transactions exceeding the minimum subscription level, at the rate per transaction defined, based on total monthly demographic validation volume for all facilities. All overages will be charged at the same per transaction rate, based on the total volume submitted for the invoice month.

Transaction Type	From	To	Per Trans Overage Cost
Pilot period DV	2,501	5,000	\$0.48
Demographic Validation	5,001	7,500	\$0.48
Demographic Validation	7,501	10,000	\$0.47
Demographic Validation	10,001	12,500	\$0.46
Demographic Validation	12,501	15,000	\$0.45
Demographic Validation	15,001	20,000	\$0.44
Demographic Validation	20,001	25,000	\$0.43
Demographic Validation	25,001	Unlimited	\$0.42

# EXHIBIT B-2-ATTACHMENT 1



## REVENUE360® SOFTWARE CHANGE REQUEST FORM

<b>Product:</b>		
<b>Facility Name:</b>	<b>City:</b>	<b>State:</b>

<b>Requested by:</b>		
<b>Title:</b>	<b>Phone:</b>	
<b>Fax:</b>	<b>E-Mail:</b>	

<b>Work Description:</b>
--------------------------

<b>Est. Cust. Prog. @ Contract rate:</b> (Class A – C):                      xx hours	<b>Estimated Total: \$xxxx (maximum)</b>
--	--

<b>Testing Requirements:</b> Customer agrees to make resources available to test changes within one week of delivery.
---

<b>Acceptance Criteria:</b> This software change will be accepted if it works as specified under the Work Description.
--

<b>Work Description/Estimate of Hours Acceptance Terms:</b> I agree that the above modification(s)/enhancement(s) have been specified to my satisfaction, and authorize Provider Advantage to implement them as described above. I also agree that any modifications to the above request(s) after my authorization may result in additional charges, and may result in a delay to those modifications depending on current work volumes and programming and development availability.
--

<b>Work Description Authorized by:</b>	<b>Date:</b>
(note: please fax this signed Software Change Request form to 503-352-0266)	

<b>*This section to be completed when custom changes are implemented*</b>	
<b>Actual Hours:</b>	<b>Total Charges:</b>
<b>Work Completed and Delivered by:</b>	<b>Date:</b>

<b>Acceptance Signature:</b> I agree that the modification(s)/enhancement(s) have been made to my specifications and satisfaction, and authorize Provider Advantage to invoice, if applicable, for the services performed as described above.
---

<p align="center"><b>Provider Advantage NW, Inc</b>  <a href="http://www.provider-advantage.com">www.provider-advantage.com</a>  <b>800.337.5482</b></p>
--